

## **FISCAL NOTE**

### **SB 3207 - HB 3635**

March 19, 2006

**SUMMARY OF BILL:** Enacts the "Broadband Business Certainty Act of 2006." Prohibits the Tennessee Regulatory Authority (TRA) from exercising any jurisdiction over broadband services, regardless of the entity providing the service.

#### **ESTIMATED FISCAL IMPACT:**

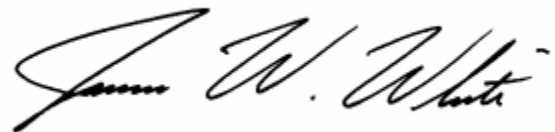
##### **Decrease State Revenues - \$511,200/TRA Public Utility Account**

Assumptions:

- Broadband services are defined as any service over 200 kilobits per second and the TRA currently regulates utilities that provide services that are within the definition of broadband services.
- There are high-speed services that are presently being provided by state regulated telecommunications providers that would no longer be subject to regulation by the TRA under this bill.
- Currently, the TRA receives inspection fees based on gross revenues generated from intrastate regulated services of state regulated telecommunications providers.
- The calculations for the loss of revenue was determined based on the BellSouth, Sprint's, and other smaller telecommunications providers that provide regulated services over 200 kilobits per second.
- BellSouth and Sprint's regulated services that are subject to this bill compose 61.04% of the TRA revenues collected from telecommunications carriers.

#### **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director